MEMORANDUM FOR MR. PLUMMER

SUBJECT: NRO Point Papers

At the right are the five following NRO point papers:

a. The Role of the DNRO
b. Streamlined Management - Control Within the NRO
c. Congressional Relations (The Old and the Developing Environment)
d. Security of the NRP Including "Fact Of"/Facts About
   e. The Role of the NRP ExCom

These are for your use in discussing the unique role of the NRO with senior levels of management.

HEROLD P. WHEELER, JR.
Colonel, USAF
Director
THE ROLE OF THE DNRO

By a DOD/CIA Agreement and DOD Directive, the DNRO is responsible for the day-to-day management and conduct of the NRP. The NRP is based upon a single charter which makes its mission unambiguous. The NRO is a separate operating agency of the DOD and can make use of DOD services. The DNRO's role in the NRP can be considered analogous to that of a corporate president of a company.

External to the NRO

Developing the corporation analogy, the DNRO responds to a "board of directors level" composed of three parts. In the first part, the DNRO looks to the SecDef for policy guidance and decisions since the SecDef is the NRP executive agent. In the second part, the DCI, through the USIB mechanism, provides to the DNRO national requirements which NRP space systems should fulfill. And third, the DNRO receives program resource allocation directives from the ExCom as well as direction as to the pace to be maintained regarding various projects within the NRP.

Internal to the NRO

The DNRO has an interagency staff and his own Comptroller and three program offices to aid him. His line organizations (in the corporation analogy—and military sense—too) report directly to him. The variety of managerial tools that he has to fulfill his responsibilities are unique and essential (streamlined management)
in order for the NRP to continue to fulfill its role effectively and efficiently.
STREAMLINED MANAGEMENT - CONTROL WITHIN THE NRO

The concept of "streamlined management" provides the essential management and operation within the NRO to assume timely and effective management, command and control of NRP resources.

"Streamlined management" consists of the following methods:

a. The DNRO presently has resource allocation authority within a fenced budget. This provides him budgetary flexibility.

b. The DNRO has direct access to his line organization elements. This short vertical up and down chain makes his programs highly responsive and makes him directly accessible to his program managers.

c. The DNRO controls end-to-end system contracting and procedures which, therefore, makes it responsive.

d. The NRP enjoys strict internal review by select audit organizations and personnel. This limits indiscriminate reviews by any number of agencies that might feel a necessity to intervene in NRP matters.

e. The special security required for collection system protection provides a management spinoff by allowing conduct of NRP system acquisition, conduct and operations in, essentially, a sanctuary environment. This environment prevents unwarranted external intrusion into NRP activities.

f. As a national organization, the NRO is integrated and interagency manned by highly qualified personnel motivated
by the NRP mission to provide the necessary objectivity to their decision makers. Historically, the program has been marked by a high stability in personnel manning, which has been beneficial to continuity and effectiveness. This stability accrues from the high program priority.
CONGRESSIONAL RELATIONS

(THE OLD AND THE DEVELOPING ENVIRONMENT)

Old Environment

Congressional reviews of the NRP budget are at the total program level displayed by appropriation. The frequency, level of detail, and committee member participation of NRP budget reviews are determined by the Chairmen of the Congressional Armed Services and Appropriation Committees. By the DOD/CIA Agreement, all NRP budgets identify those funds to be applied to R&D, exploratory design development, system development, procurement and operational activities.

In exception to traditional procedures:

a. The NRP receives no O&M funding.

b. A total system development, acquisition and operation concept is applied on most NRP satellite systems and affects contracting procedures.

c. Incremental funding is applied to all NRP major system contracts.

Developing Environment

Budget constraints and increasing emphasis on intelligence activities have lead to closer scrutiny by Congress. Based on the expressed desire for detailed NRP information in support of the FY 77 NRP request, the following should be anticipated:
a. Hearings which focus on detailed discussion and justification of each program and program segment. Concurrency of effort and threat/need may be prime topics.

b. A significant increase in staff questions and briefings prior to hearings addressing the detailed justification material forwarded the Congress.

c. A potential significant increase in inserts for the record stemming from unanswered questions during hearings or questions not addressed due to Congressional time constraints.

d. Detailed, specific program and/or funding guidance/constraints by the Congress on individual programs, which may eliminate DNRO and ExCom reprogramming flexibility inherent in our streamlined management needs.

e. A follow-on requirement to more closely track program changes in out-years (FY 78 and future) to what was presented in detail in FY 77.

Based on the above, NRF time and manpower requirements on Congressional matters may increase significantly and essential program flexibility may erode.
SECURITY OF THE NRP INCLUDING "FACT OF"/FACTS ABOUT

Extraordinary security has been employed regarding U.S. satellite reconnaissance since its inception.

One reason for the security measures has been to prevent the disclosure of "facts about" our high quality (and quantity) reconnaissance capability to our adversaries.

It is security policy that there shall be no public, official acknowledgement of the "fact of" satellite reconnaissance. Keeping the "fact of" classified preludes discussions which could result in possible international reactions or repercussions by adversaries or even allies or friendly nations. The exact potential consequences of open acknowledgement are unknown, but they could be dire regarding continued conduct of the program. And, satellite systems are vulnerable to a variety of attacks or countermeasures.

The present space reconnaissance environment consists of a tacit agreement by the U.S. and USSR to engage in space reconnaissance activities in an unopposed environment. Since it is estimated that [redacted] percent of the military intelligence data about Russia (and [redacted] percent about China) is obtained by U.S. reconnaissance satellites, it profits the U.S. to continue a policy for the foreseeable future that allows such lucrative intelligence collection to continue.

Present security policy is simple—no public discussion.
THE ROLE OF THE NRP EXCOM

The NRP ExCom was established, and composition of its membership determined, by Presidential direction in 1964. The reason for its establishment was to replace the system of DOD and CIA NRP monitors which were chartered in the 1962 and 1963 DOD/CIA Agreements. The individual agency monitors concept interfered with the direct chain of command established for the management and conduct of the NRP.

The ExCom acts for the SecDef and is established to:

a. Recommend to SecDef the overall appropriate level of effort for the NRP in responding to requirements in light of technical capabilities and fiscal limitations.

b. Approve or modify the consolidated NRP and its budget.

c. Approve the allocation of responsibility and the associated funds for R&D for new systems.

d. Approve the allocation of development responsibilities and corresponding funds to the appropriate NRO Program Office.

e. Review the essential features of the major program elements of the NRP.

The ExCom is presently composed of the DCI, acting as Chairman and the ASD(I) who represents the SecDef. In years past, the committee included the President's Scientific Advisor
until that position was abolished. The ASD(I) replaced the DepSecDef who was Chairman until 1971.